

**FREQUENTLY ASKED QUESTIONS ON BANK INDONESIA REGULATION
NO. 12/16/PBI/2010 CONCERNING MONITORING SYSTEM FOR
TRANSACTIONS ON FOREIGN CURRENCIES AGAINST RUPIAH**

1. **Q : What is the background of the implementation of the Monitoring System for Transactions on Foreign Currencies against Rupiah (Sismontavar)?**

A : The background of Sismontavar implementation is the need for obtaining data of transactions on foreign currencies against rupiah in a real time and accurate manner so that responsive policies can be made which are in accordance with the current market developments.

2. **Q : Do banks benefit from the implementation of Sismontavar?**

A : The implementation of Sismontavar which can result in accurate and responsive policies is expected to be able to support the stability of rupiah exchange rate. This will be very beneficial for banks.

3. **Q : Is Sismontavar implemented on all banks?**

A : Sismontavar is implemented on banks having the status of foreign exchange banks and having a dealing system for making transactions on foreign currencies against rupiah.

4. **Q : Sismontavar requires a certain application which will be installed in foreign exchange banks. Are banks going to be charged for the installation of the application?**

A : There is no fee charged on banks for the implementation of Sismontavar, including for the installation of the application.

5. **Q : What are the transactions to be captured in Sismontavar?**

A : Sismontavar will capture inter-bank transactions on foreign currencies against rupiah.

6. **Q : If a bank makes an error in inputting information while making a transaction on foreign currency against rupiah, will the bank be required to make correction on such error?**

A : If there is an error in transaction information following the implementation of the Confirmation Procedure, the Foreign Exchange Bank concerned shall submit a correction of the transaction information immediately to Bank Indonesia after the error is found, as referred to in Article 3 paragraph (5) of the Bank Indonesia Regulation.

7. **Q : Is the bank going to be subject to a sanction for the aforementioned inputting error?**

A : The bank will not be subject to any sanction for such inputting error, but the bank is expected to input the correct and accurate information at the time of the implementation of the transaction so that the data captured by the Sismontavar will also be accurate.

8. **Q : How about transactions on foreign currencies against rupiah which are made through Money Market Brokerage (PPU)? Are they also included in the scope of SISMONTAVAR?**

A : Yes, transactions on foreign currencies against rupiah made through PPU are also covered by the scope of SISMONTAVAR as referred to in Article 3 paragraph (4), so that Foreign Exchange Banks must implement the Confirmation Procedure in the Dealing System connected to the SISMONTAVAR application immediately following the completion of the transactions on foreign currencies against Rupiah (deal is done).

9. **Q : How can we overcome technical problems in SISMONTAVAR?**

A : Such matter will be provided in the technical guidelines to be provided for every bank.

10. **Q : If the Bank Indonesia Regulation has come into effect but there are some foreign exchange banks whose SISMONTAVAR applications have not been installed, will those foreign exchange banks be required to comply with the Bank Indonesia Regulation?**

A : In the event that SISMONTAVAR application of foreign exchange banks have not been installed at the time the Bank Indonesia Regulation has come into effect, the aforementioned foreign exchange banks will not be required to comply with the provisions of the BI Regulations as referred to in Article 6 paragraph (1).